Working Groups: Spotlight on the Agent Digital Design Advisory Group

Briefings



21 August 2024

The Agent Digital Design Advisory Group (ADDAG) was created in 2019 to try and bridge the gap between tax policy and implementation.

ADDAG was set up as a result of demand from the professional bodies for more input into HMRC's system design, following issues with the design and implementation of the Trust Registration Service (TRS) and with Capital Gains Tax on the UK Property Reporting Service. In our view, no new policy can be truly effective if systems and processes do not allow taxpayers and their agents to comply easily with their obligations.

The group aims to look at the development of digital services from the agents' perspective and to get involved as early as possible – often starting with HMRC's Policy Driven Change team, who are tasked with implementing new policies following a Budget or similar fiscal event.

The ATT and CIOT are both represented on the group by one member in practice and one technical officer. Since 2021, the group has been jointly chaired by representatives from HMRC and the professional bodies. The current professional body co-chair is ATT technical officer Helen Thornley.

Objectives

The aims of the group are to:

- work towards a simple and accessible system of agent authorisation;
- contribute to developments and extensions of the Agent Services Account; and
- feed in ideas and suggestions for the future development of HMRC's online services for agents more generally and help HMRC to prioritise the development of those services which would be most valuable to agents.

Agent authorisation covers not just *how* clients appoint their agent to act but also *what* the agent, once appointed, can see and do for their client.

HMRC is seeking to move away from the paper 64-8 on the grounds of data security to online authorisation – the 'digital handshake'. This can be a challenge for taxpayers who are less confident with computers or who can't verify their ID online.

As the formal start of MTD for Income Tax approaches, the need for more than one agent acting in respect of a given tax or service is pressing. Many clients will want to appoint both a bookkeeper and a tax agent or accountant to deal with their MTD obligations.

Current projects

The group is prioritising a list of 'pain points' experienced by agents when they interact with HMRC systems to help HMRC understand where best to focus limited resources. These range from the lack of an online service to request PAYE coding changes, to the inability to download a CT61.

We are also feeding into HMRC's Agent Target Operating Model (ATOM). This project is intended to help set the future standard for the design of agent services – effectively a 'charter' for HMRC service design. We need ATOM to include what agents want to see in a service rather than what HMRC thinks we need and it links nicely to the CIOT's minimum standards for the introduction of new HMRC digital

systems (see tinyurl.com/ymck9j62).

Challenges

ADDAG is an interesting and rewarding group to work on as HMRC has made a real effort to engage and share their perspective and challenges. However, members will only see benefits from this engagement if HMRC gets funding for improving services – and commits to building in agent access in from the beginning every time.

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